

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

ATTORNEY GENERAL'S FIRST SET OF DOCUMENT AND
INFORMATION REQUESTS

D.T.E. 05-35

Respondent: Nancy G. Culliford

Date: July 26, 2005

Information Request AG-1-3

- Q. The Company states that this potential agreement is its only available option to maintain adequate capacity to meet its customer demand. If this agreement does not go through (for example if for whatever reason TGP does not get regulatory approval or if there are construction delays), how will the Company meet customer demand?
- A. As noted at page 10 of Exhibit NGC-1, the Company determined that its identified capacity need was best met through the ConneXion Project based on the fact that there were no other reasonably available resource alternatives within the timeframe required by the Company. Moreover, the ConneXion Project was the best fit based on the economics of the project when compared to existing paths within the Company's portfolio. The Company will continue to monitor the progress of the Tennessee ConneXion Project to ensure that it will be available as anticipated. Part of the Company's planning process is to continuously monitor transportation and supply projects relevant to the Northeast. If the Company foresees any changes in the status of the Project, the Company will commence discussions with other capable parties (e.g. domestic or Canadian LNG Projects).